

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

RATE ADJUSTMENT OF HENDERSON-UNION)	
RURAL ELECTRIC COOPERATIVE)	CASE NO. 9007
CORPORATION)	

O R D E R

IT IS ORDERED that Henderson-Union Rural Electric Cooperative Corporation ("Henderson-Union") shall file an original and 10 copies of the following information with this Commission, with a copy to all parties of record, by October 4, 1984, or within 2 weeks after the date of this Order, whichever is later. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided elsewhere in this record, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately. If neither the requested

information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. With reference to Henderson-Union response to Item No. 1 of the Commission's Information Request dated June 1, 1984, provide a pro forma income statement incorporating the proposed adjustments proposed therein. Reference each proposed adjustment to the appropriate account number in the Uniform System of Accounts for Class A Electric Utilities.

2. With reference to page 2 of Question No. 4 of the Additional Testimony by John West, provide a copy of Henderson-Union's 1984 budget.

3. With reference to Exhibit B of the Additional Testimony by Mr. West, provide a detailed calculation of the derivation of \$191,000 as the cost of employee pension contribution for 1984. Also, provide a narrative explanation of the current method used by Henderson-Union to make this calculation and explain any changes from the method used in the test year.

4. Does Henderson-Union anticipate increased electricity costs for office use, Commission assessment taxes, and other expenses related to increased purchased power costs and higher revenues to result from the flow-through? If so, provide calculations for these adjustments.

5. With reference to the response to Item No. 26 of the Commission's Information Request dated June 1, 1984, provide any evidence Henderson-Union deems appropriate as to why the \$160,521 charge to Account No. 435.1--Extraordinary Items should not be excluded from test year operations for rate-making purposes.

6. With reference to the response to Item No. 1, Sheet 5, Adjustment No. 7, of the Commission's Information Request dated June 1, 1984:

a. What is the basis for the methodology used to compute the \$133,163 adjustment to revenue?

b. Why was a 4-year average load factor, 1979-1982 selected?

c. Were any other factors considered that may have effected the average monthly load factor?

Done at Frankfort, Kentucky, this 21st day of September, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Hernandez
For the Commission

ATTEST:

Secretary